February 7, 1996

To: All Parties of Record

Re: Staff Proposal/Settlement Negotiations in Case No. IPC-E-95-9

The Commission has issued a Notice of Settlement Negotiations/Notice of Prehearing Conference scheduling a third and final workshop in this case on **Wednesday**, **March 20**, **1996**. Staff has completed a final proposal for the parties' consideration, included with this letter as Attachment 1. Attachment 2 is a summarization of what Staff believes are all the relevant issues including Staff's position on each of those issues.

Staff's goal is to obtain consensus on as many issues as possible prior to proceeding to hearing. Given the amount of time this proceeding has already consumed, Staff does not intend to engage in any further settlement negotiations beyond the March 20 meeting. In order to make that meeting productive, therefore, Staff requests that the parties carefully review its proposal and submit any comments to all parties on or before March 8, 1996. Specifically, Staff requests that interested parties respond to Staff's position on each issue identified in Attachment 2, and specifically state whether the party agrees, disagrees or proposes an alternative. To the extent that the parties believe other relevant issues exist, they should so state and take a position with respect to those issues.

I will look forward to seeing you all on the 20th. Please feel free to contact me if there are any questions. Sincerely,

Brad Purdy Deputy Attorney General

BP/vld:L:parties.bp Enclosures (2)